

# Government Operations Agency



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November 4, 2013

Carole D'Elia  
Deputy Executive Director  
Little Hoover Commission  
925 L Street, Suite 805  
Sacramento, CA 95814

Dear Ms. D'Elia,

Thank you for inviting me to testify at the Little Hoover Commission's November 21, 2013 hearing to review the progress made on the Governor's Reorganization Plan Number One of 2011 (GRP1).

Having been involved with GRP1 and Governor Brown's 2012 government reorganization, I am pleased to provide these thoughts to the topics posed in your October 7, 2013 letter.

**The transition process in the creation of CalHR and the relocation of some State Personnel Board (SPB) functions and employees, and the steps taken to address any challenges that arose.**

The goal of GRP1 was to create a unified personnel structure in state government and eliminate the overlapping responsibilities between the Department of Personnel Administration and the State Personnel Board. To achieve this, more than 100 SPB employees responsible for the day-to-day personnel transactions were moved to CalHR.

Coordinating the staff moves from SPB to CalHR was one of the more challenging processes with the reorganization. Those challenges included not only office space needs and information technology issues, but being sensitive to staff uncertainty about moving into a different organization with a different culture.

Our team worked to alleviate staff's anxiety by conducting tours of the new office space, providing communication to affected employees through email and an internal website, and holding regular staff meetings to introduce CalHR managers and supervisors.

**The broader lessons regarding change management learned during the 2011 reorganization that were useful in implementing the Governor's 2012 reorganization, and that may be useful in subsequent government reorganizations.**

The constructive factors which played a large part in the success of both GRP1 and Governor Brown's 2012 government reorganization are typical for any large project or initiative.

First, any reorganization needs to have the full support of the department's leadership. Management must lead by example and engage staff at every level of the organization to show their commitment to the change. Problems such as low morale, lost productivity and the exodus of top talent, will arise quickly if there isn't a top-down commitment from an organization's leaders.

Second, develop a clear vision and strategy. Keeping the vision basic and clear simplifies decision-making and motivates people to move in the right direction. Having a good plan that aligns with the vision and contains objectives, success criteria and specific timelines is an important step in the process.

Last, and most important, it is essential that the vision of change should be communicated with staff, and repeated often. All available media should be used, and every effort made, to communicate messages about the reorganization with affected employees and external stakeholders.

**The goals of the 2011 reorganization, and the ways that you helped design the transition to assist in achieving them. Please describe any progress that you have seen toward these goals, and remaining steps that are needed.**

There has been steady progress by CalHR and the SPB in achieving efficiencies outlined in the Governor's Reorganization Plan. Some examples:

*Workforce Planning:* The Commission has been a long-time advocate for workforce planning in state government, and the Workforce Planning Unit at CalHR has now been fully staffed and is facilitating quarterly meetings between departmental staff. Soon the Workforce Planning Unit will release its first "Retention Strategy Survey" to gather data on why state employees stay in their jobs and why they leave. Collecting this type of information will better align statewide training and examination planning at CalHR.

*Training:* One large component of the reorganization was to revitalize the state's employee development program. CalHR's Training Program now has more than 80 free online webinars and more than 100 courses that are taught in a classroom setting. Additionally, CalHR and SPB have hosted two human resource conferences and a civil rights conference. All were free for state employees and were filled to capacity.

*Public Access to Exam and Job Information:* In August 2013, CalHR implemented a new phone system that has provided easier access to information and enhanced CalHR's ability to serve applicants. Last year more than 56,000 callers used the toll-free line which provided better access with more information to job seekers.

While steady progress has been made in some areas, more work needs to be done to simplify the state's classification plan by:

- updating policies to help personnel managers, employees and job candidates,
- creating an easier examination system and;
- streamlining the lengthy statewide hiring process.

CalHR and SPB will need to focus on true civil service reform as the state's workforce needs change and we move forward with GRP1 efforts.

I am happy to provide additional information if needed. Please contact me at (916) 651-9011 or through email at [dave.rechs@govops.ca.gov](mailto:dave.rechs@govops.ca.gov).

Sincerely,



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